

#### Cable & Wireless, Inc.

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#### RECEIVED

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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

April 6, 1999

Magalie Roman Salas Secretary Federal Communications Commission 445 12th St. S.W. TW-A325 Washington, D.C. 20554

RE:

Ex Parte Presentation CC Docket No. 98-170 Truth in Billing

Dear Ms. Salas,

On April 5, 1999, Rachel Rothstein and I met with Paul Gallant, Legal Advisor to Commissioner Tristani, to discuss Cable and Wireless' positions in the above-mentioned docket. The attached materials summarize our presentation.

An original and one copy of this response are being filed with your office, in accordance with the Commission's rules. Acknowledgment and date of receipt are requested.

Sincerely,

Brent M. Olson

Senior Regulatory Counsel Cable & Wireless USA, Inc.

BIM OK

703-760-3865

Attachment

Cc:

Paul Gallant

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# CABLE & WIRELESS USA, INC.

EX PARTE PRESENTATION CC DOCKET NO. 98-170 April 5, 1999



### Recommended Action

- Guidelines, not rules.
- Focus on residential, not business, customers.
- Target Solutions to particular problems.
- No mandatory language for USF and PICC charges.



## Guidelines Are Preferable To Rules

- Guidelines allow billing to remain a competitive tool.
- Guidelines allow billing technologies to continue rapid evolution.
- Guidelines reflect appropriate cost/benefit analysis.



## Billing Is A Competitive Tool

- Carriers use distinctive billing capabilities to win and retain customers.
- Detailed and rigid rules could significantly impair a carrier's ability to differentiate itself.



# Billing Options Are Multiplying Rapidly

- Invoicing increasingly is electronic and paperless.
- Bills increasingly are used as tools to provide one-stop shopping.
- Detailed and rigid rules could hinder development in billing efficiency.



## Guidelines Reflect Appropriate Cost/Benefit Analysis

- Guidelines promote billing clarity, not billing uniformity.
- Guidelines balance public interest goals of clearer, simpler format and presentation with carrier costs and system limitations.



# Guidelines Should Focus On Residential Customers

- Residential customers are more at risk from unscrupulous service providers.
- Businesses require and demand more detailed, flexible invoices to track costs and preserve their own competitive edge.



# Guidelines Should Be Targeted At Particular Problems

- Many of the Commission's proposals are directed at the confusion caused by third party billing, but appear to apply to all service providers.
- Non-targeted solutions could impose significant unintended costs and burdens on service providers.



# The FCC Should Not Mandate Specific Language for USF and PICC Charges

- Any Commission action should be focused on the prevention of false or misleading statements, not on a carrier's chosen method to collect these charges.
- Any safe harbor language must accommodate the differences in and limitations of carriers' billing systems.



#### Sales Bulletins

The Universal Service Charge (USC) & Presubscribed Interexchange Carrier 1/98 Charge (PICC)

Bill Insert | Competitive Info: PICC | Q&A: PICC | Competitive Info: USC | Q&A: USC

#### Bill Insert

New Federal Charges Go into Effect Immediately

You will see two new line items on your long distance bill beginning with this invoice.

The "Universal Service Charge" is the result of an order issued by the Federal Communications Commission as part of its Universal Service Reform. The FCC designed the Universal Service Fund program to ensure the delivery of affordable telecommunications service to all Americans. The Universal Service Fund will be used to support access to basic telecommunications services for low-income and rural consumers, and access to advanced telecommunications services for eligible schools, libraries, and rural health care providers. The charge will be calculated as 4.9 percent of usage and fees, excluding local and in-state usage. This 4.9% rate may vary on a quarterly basis depending on how much revenue the FCC determines is necessary to support universal service programs.

If you would like more information on the Universal Service Charge, please call 1-888-873-2250. You may also visit Universal Service Administrative Corporation's website at <a href="http://www.neca.org">http://www.neca.org</a> or the FCC homepage at <a href="http://www.fcc.gov/ccb/universal\_service/">http://www.fcc.gov/ccb/universal\_service/</a>.

The "Presubscribed Interexchange Carrier Charge" represents a new charge that the FCC requires all long distance companies to pay to local telephone companies for access to their local networks. Initially we will recover this charge as 3.9 percent of usage and fees, excluding local and in-state usage. Once all local telephone companies can provide us with more specific information, we will base this charge on the actual number of access lines or trunks that each customer has presubscribed to Cable & Wireless.

If you would like more information on the Presubscribed Interexchange Carrier Charge, please call 1-888-742-2007.

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